

# Bharti Retail to enter western India soon

RAGHAVENDRA KAMATH  
Mumbai, 27 September

After the north, Sunil Mittal's Bharti Retail will soon enter western India with its first hypermarket in Mumbai, said an executive close to the development.

It has signed a 60,000 sq ft store in the Neptune Magnet mall of the city's Bhandup area and this is expected to open in the first quarter of 2011, the executive said. After Mumbai, the retailer plans to open 20 more stores in cities such as Mumbai, Pune and Nanded, he said.

The retailer is also planning to set up a mother distribution centre on the Mumbai-Pune highway, said the executive.

Unlike other retailers such as Reliance Retail, which set up stores across the country in one go, Bharti is focusing on creating a cluster in one region before entering another.

"Our strategy is to consolidate presence in one market, before expanding to another geographic region," said a spokesperson. Currently, it operates over 90 stores across Punjab, Haryana, Uttar Pradesh, Uttarakhand and New Delhi, among others.

Bharti Retail, a unit of Bharti Enterprises, operates Easyday neighbourhood stores and hypermarkets called Easyday Market. Bharti also has a joint venture with Walmart, the world's largest retailer, which runs cash and carry stores called Best Price Modern Wholesale in Punjab.

Analysts say the cluster



Property consultants say Bharti is also planning to open stores in the south and has signed half a dozen stores in the region

strategy helps retailers to draw efficiencies on supply chain and logistics. "In case of hypermarkets and supermarkets, retailers can derive a lot of benefits if they can create a cluster of stores in one region, as logistics involve maximum investments," says Susil Dugarwal, founder and chief mall mechanic, Beyond Squarefeet.

Bharti is also planning to open stores in the south and signed half a dozen stores in the region, property consultants said. Earlier this year, it said it planned a tally of 140 stores

in the country by year end.

However, analysts say Bharti has a lot of catching up with the ambitious plans it had announced in the past. In 2007, it talked of a total retail area of 10 million sq ft by 2015 and investment of ₹10,000 crore and revenues of over ₹20,000 crore by then.

Even other newcomers have moved ahead. Reliance Retail, which was set up in 2006, today runs nearly 1,150 stores, while Aditya Birla Retail, set up during the same time, runs around 640.